

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton; and
Tony Hammond

Market Dominant Product Prices
Inbound Market Dominant Multi-Service Agreements
with Foreign Postal Operators 1

Docket No. R2015-5

Hongkong Post – United States Postal Service
Letter Post Bilateral Agreement (MC2010-35)
Negotiated Service Agreement

ORDER APPROVING MODIFICATION ONE TO AGREEMENT
AND DENYING AS MOOT MOTION FOR TEMPORARY RELIEF

(Issued November 17, 2016)

The negotiated service agreement approved in this proceeding (Agreement) is set to expire December 31, 2016.¹ The Postal Service seeks to extend the Agreement pursuant to Modification One executed by the Postal Service and Hongkong Post.² Modification One extends the expiration date of the Agreement until March 31, 2017. Notice at 1.

¹ See Order Approving Additional Inbound Market Dominant Multi-Service Agreement with Foreign Postal Operators 1 Negotiated Service Agreement (with Hongkong Post), September 17, 2015, at 11 (Order No. 2717).

² See Notice of Filing Modification to Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement, November 16, 2016 (Notice). The modification is attached to the Notice as Attachment 1 (Modification One).

One day before filing its Notice, the Postal Service filed a motion for temporary relief, seeking a one-quarter (3 months) extension to allow for the completion of negotiations on a successor agreement.³ The Postal Service stated that it had sent a modification to Hongkong Post providing for the Agreement to expire March 31, 2017, absent earlier termination by the parties. Motion at 2. The Postal Service also stated that at the conclusion of the negotiations of a successor agreement, the Postal Service intends to initiate a new rate docket, in which the Postal Service will file the successor to the Agreement. *Id.*

The Commission finds that the extension will not affect the Agreement's ability to comply with 39 U.S.C. § 3622(c)(10) and 39 C.F.R. § 3010.40 *et seq.* Consequently, the Commission reaffirms its findings in Order No. 2717 and approves Modification One. Extending the Agreement is in the public interest and will not prejudice any person. The Agreement, as modified, is authorized to continue through March 31, 2017. Accordingly, the Motion for temporary relief is denied as moot.

It is ordered:

1. The Agreement, as modified, is authorized to continue through March 31, 2017.
2. The Postal Service's Motion for Temporary Relief Concerning an Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement, filed November 15, 2016, is denied as moot.

By the Commission.

Stacy L. Ruble
Secretary

³ See Motion of the United States Postal Service for Temporary Relief Concerning an Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement, November 15, 2016, at 1 (Motion).